

**2012 MANUAL OF
ASSESSMENT STANDARDS
FOR THE
CITY OF MANKATO**

Adopted by

CITY COUNCIL
OF
MANKATO, MINNESOTA

April 24, 1989
Latest Revision: December 2011

Prepared by

The Engineering Department

INTRODUCTION

This is a manual of existing and suggested assessment procedures. The special assessment is a device employed primarily by municipal governments as a means to finance specific improvements desired by a neighborhood or area. The use of the special assessment dates back to colonial times, and during the past four decades the use of special assessments has grown to a point where they comprise an essential and considerable portion of municipal finance.

It is important to recognize that although special assessments are billed to the property owner along with real estate taxes, there is a distinct difference between taxes and special assessments. Real estate taxes are a function of the real estate as determined by the County Assessor, while special assessments are a direct function of the enhancement of value or the benefit which a specific improvement gives the property.

Once initiated by petition of property owners or the city council, and thereafter determined that certain facilities are necessary and desirable, the general success and acceptance of the special assessment as a means of financing facilities is dependent upon equitable and consistent methods of levying costs of specific improvements. State statutes and the courts have extended wide latitudes of authority to municipal councils for determining assessment methods and policies. It is therefore possible that assessment methods and policies may vary from one municipality to another, and the resulting lack of uniform methods and policies on a statewide, or at least area-wide, basis tends to create confusion among citizens.

In view of the foregoing, it has been deemed desirable to set forth the general assessment methods and policies practiced in the city of Mankato. It is emphasized that the following summarization is general in nature, and that certain circumstances may justify deviations from stated policy, as determined by city council.

The procedures have been updated from the 1971 version to reflect a very active State Legislature which is annually changing MSA 429 Statutes. The city of Mankato reacts to court-induced refinements to the methods as case law is developed.

Prices increase annually to compensate for increases in construction costs. Some modifications have also been made to simplify assessment computations and improve service.

TABLE OF CONTENTS

ASSESSMENT DEFINITIONS	1
SECTION 1 – STANDARD PROCEDURE	2
A. Initiation of petition and the administration of required forms for council action.....	2
SECTION II – LIFE EXPECTANCY OF IMPROVEMENTS.....	4
A. New Improvements	4
B. Existing Improvements	4
SECTION III – WORK BY OTHERS	4
A. Work by Private Developers	4
B. Work by Property Owners	5
SECTION IV – GENERAL ASSESSMENT STANDARDS	6
A. Project Cost.....	6
B. Deferred Benefit Costs.....	6
C. City Share.....	6
D. Assessment for Improvements	7
E. Sidewalks	7
F. Driveway Pavement	7
G. Dust Control (by petition).....	7
H. Private Developers Project.....	8
I. Government-Owned Properties.....	8
J. Frontage Roads	8
K. Alleys	8
SECTION V – METHOD OF DETERMINING ASSESSMENTS	8
A. Sanitary Sewers.....	8
B. Watermain.....	9
C. Storm Drain System.....	9
D. Streets.....	10
E. Sidewalks	12
F. Alleys	12
G. Improvements in Developed Areas Not Served by Adequate Facilities	12
H. Improvements in Recently Annexed Areas.....	13
SECTION VI – CONSTRUCTION.....	13
A. By Day Labor.....	13
B. By Contract	13
SECTION VII – CURRENT RATES	14

ASSESSMENT DEFINITIONS

Sanitary Trunk Sewer: A large diameter sewer pipe, pumping station, meter station and appurtenances. The sanitary trunk sewer is designed to serve as a collector for the lateral sewers.

Sanitary Lateral Sewer: A smaller diameter pipe extending off from a trunk sewer. A sanitary lateral sewer is designed to serve individual building sites.

Watermain Feeder: A large diameter pressure pipe designed to deliver high volumes of water to a system of smaller watermain, including all appurtenances necessary for its operation.

Watermain Branch: A smaller diameter pressure pipe designed to deliver municipal water to building sites.

Storm Trunk Drain: A relatively large diameter, 18-inch or larger, stormwater collector. The storm trunk is designed to serve a collector for large drainage basins or districts.

Storm Lateral Drain: A smaller diameter pipe extending from a respective storm trunk. A storm lateral is designed to serve a relatively small drainage area.

Permanent Street Improvement: Upgrading of a street by placing bituminous or concrete surfaces on a recommended, designed base and including curb and gutter.

Building Site: An area of land on which a building exists, or an area of land not less than the square feet required by the city Building Code on which a building could be constructed.

Frontage Road: A local road or street auxiliary to, and located on the side of, an arterial highway for service to abutting property and adjacent areas for control of access.

Front Footage: The shortest dimension of existing or potential sites abutting the street.

Side Footage: The longest dimension of existing or potential corner building sites abutting the street.

Residential Lot Area: Not less than 7000 square feet for a dwelling lot is required, or not less than 5500 square feet if the lot is on a subdivision plat recorded prior to the effective date of the Zoning Ordinance of the city of Mankato.

Holding Basin or Pond: A man-made or modified natural basin which serves to delay stormwater runoff from a watershed for a period of time to allow downstream watersheds to clear prior to upstream watershed draining. This allows utilization of the smaller pipe system or lower channel capacity, resulting in overall more economical drainage relief.

SECTION 1 – STANDARD PROCEDURE

A. Initiation of petition and the administration of required forms for council action

By Petition: Petitions for improvement can be obtained at City Hall. Petitions circulated by the affected property owners require 35 percent of the property, figured on frontage of the real property abutting on the improvement, or in the case of storm drain, sanitary sewer, and watermain, by 35 percent of the area intended to be served by the improvement, to be adopted by ordinary means.

Petitions will be received until the 15th day of September, except under special consideration by the council, for construction the following year. Any petitions received after the 15th day of September will be considered on the basis of the availability of personnel to do the necessary surveying, design, and preparation of the contract documents. All petitions not given special consideration will be acted upon for construction the following year.

Before the city is able to bond an improvement project, it must guarantee a minimum 20 percent of the total cost of the improvement, unless a special election is held. This is accomplished by assessments to property owners.

By Council Action: If the council determines an improvement is in the best interest of the city, it can, without petition, order the improvement.

100 Percent Signed Petition: When a petition is signed by 100 percent of the property owners affected by an improvement, the council may order the improvement without holding an improvement hearing. This will be accomplished by a Special Resolution.

Improvement Feasibility Public Hearing by Ordinary Petition: After a petition has been filed, its adequacy determined, and the city engineer has reported it is a feasible improvement, a Public Hearing will be held at a regular council meeting and all persons interested will have the opportunity to present testimony with regards to the improvement. Property owners benefiting and being assessed for the improvement shall be given mailed notice of such hearing. The notice will be mailed and published not less than 10 days prior to the meeting.

After receiving all testimony, the council will determine whether to proceed with the improvement. A simple majority of affirmative votes will authorize the preparation of necessary construction documents, allow the city manager to advertise for bids, and set the date of assessment hearing.

Without Petition: The council may direct the city engineer to report on the feasibility of an improvement for which a petition has not been filed, or if the petition does not meet the 35 percent requirements. Upon accepting the report, the council will set a date of public hearing at a regular council meeting. Benefiting and assessable property owners shall be given mailed and published notice not less than 10 days prior to the hearing. All interested persons will be given the opportunity to present testimony to the council.

After hearing all testimony, the council will determine whether to proceed with the improvement. A four-fifths (4/5) majority of the council is necessary to order the project. Authorization to prepare construction documents, advertise for bids, and set date of assessment hearing follows.

Special Assessment Public Hearing: When directed to proceed by council, the city clerk, with the assistance of the city engineer, shall prepare a list of properties benefiting by the improvement. The list shall contain the name of the owner of the property, a description of the property, and the amount to be assessed to the property for the benefit derived from the improvement. The amount of the special assessment may be based upon the final costs of an improvement when it has been completed, or upon an estimated amount determined by the city engineer, when construction is not completed.

A Notice of Hearing, both mailed and published, shall be given to all owners liable to be assessed two weeks prior to the hearing. All interested persons will have the opportunity to present testimony as to calculation of the assessment and as to the benefit derived from the improvement.

Assessments adopted based upon estimated quantities and costs shall be reviewed upon substantial completion. Those requiring adjustments, in terms of costs, will have the opportunity through the normal hearing notice and procedure to present testimony to the council regarding the amount of change to the assessment.

Proposed assessments are placed on file for public inspection at the office of the city clerk. Written or oral objections are considered at the council meeting. If an owner has an objection to the proposed assessment, they must either present a written objection, signed by an owner and filed with the city clerk, and/or appear at the hearing and personally object to the proposed assessment before the council.

No appeal to district court may be taken as to the amount of the assessment adopted unless a written objection has been presented to the city by filing it with the city clerk before the meeting, or presenting a written object at the meeting, unless such failure to object is due to reasonable cause.

While oral objections at the meeting will be considered, an owner must also object in writing in order to preserve the right to appeal the amount of a special assessment to district court. Appeal to district court may be made by serving notice upon the mayor or city clerk within thirty (30) days after the adoption of the assessment and filing such notice with the district court within ten (10) days after service upon the mayor or city clerk.

The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment against any parcel, with interest accrued from the date of billing to the date of payment, to the city treasurer at City Hall. Assessments paid within thirty (30) days of billing shall bear no interest. Partial prepayment of special assessments is not an authorized option.

Assessments shall be payable in equal annual installments extending over a period of ten years (five years for minor street resurfacing improvements), the first said installment to be payable on or before the first Monday in January of the year following the adoption of the assessment roll. Any deferred installments shall bear interest at the rate established by the sale of an improvement bond containing said improvement, per annum for one year on all unpaid installments.

On any property parcel, the owner may submit a request to have the payment for permanent street reconstruction, sidewalk, and alley improvement, with a total assessed amount over \$5000, extended. If the principal amount collectable equals \$5000, or the total assessed amount exceeds 10 percent of the improved value of the lot and buildings according to the assessor's market value for the property for the current year, whichever is greater, the payment schedule shall be extended to a 15-year equal annual payment basis. This request shall be in writing and filed with the city council prior to or at the date of the public hearing on that final assessment. Interest in accordance with MSA 475.55 subd. 3, 4, and 7 provides that special assessments pledged to the payment of obligations may bear interest at the rate the council determines by resolution.

The interest rate usually will be determined using the rate for the specific bond issue or the Bond Buyer's Index if the bonds are unsold at the time of interest determination. The State Commissioner of Finance shall determine the most recently published yield for the Bond Buyer's Index of 20 Municipals. This rate plus one percent, rounded to the next highest percent per annum, shall be the rate for the next succeeding month. The Commissioner of Finance publishes the rate in the State Register each month.

The owner of any property so assessed may at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment against any parcel with interest accrued to the date of payment to the city treasurer, and they may at any time thereafter pay to the county treasurer the entire amount of the assessment remaining unpaid with the interest accrued to December 31st of the year in which such payment is

made. Assessments paid within thirty days from the date of the billing of the final assessment shall bear no interest.

SECTION II – LIFE EXPECTANCY OF IMPROVEMENTS

A. New Improvements

Public improvements shall be judged to have a normal usable life expectancy. For the purpose of this policy statement, the life expectancy will be as follows, predicted upon the principles set forth:

Surface Improvements

Grading and base construction: 15 years

Concrete curb and gutter: 30 years

Bituminous street overlay or concrete rehabilitation: 7 years

Residential or collector bituminous street surfacing (5 to 7 ton): 15 years

Arterial streets asphaltic concrete or concrete (9 or 10 ton): 20 years

Alleys: Same as streets

Road surface treatment for dust control: One application of dust inhibitor to the surface of the roadway, including blading, compaction, or reworking the surface which, if done, will be an addition to the unit cost for surface treatment.

Subsurface Improvements

Watermain: 40 years

Sanitary Sewer: 40 years

Storm Drains: 40 years

B. Existing Improvements

When any existing improvement is ordered to be renewed or replaced, the assessments to be levied will be the proportionate share of the costs based on the ratio of the age of the improvement to the adjudged usable life expectancy as listed above.

In order to warrant the project for that period of life expectancy, the city must have certain controls over the quality of material and workmanship, as well as design standards. All projects shall meet the minimum criteria and standards established by the city of Mankato. To ensure this control, the city council has adopted respective specifications and criteria recommended by the city engineer as a threshold level of acceptance prior to any acceptance or final payment.

SECTION III – WORK BY OTHERS

A. Work by Private Developers

Construction Documents (Drawings and Specifications)

A private developer may have his drawings prepared by other than the city engineering department under the following conditions: All drawings, specifications, and related documents required shall be prepared by a Professional Engineer registered in the State of Minnesota. The engineering department must be kept informed of developer's timetable for design, bid letting, and construction schedule.

Permits, licenses, and easements shall be secured and paid for by the developer.

The EJCDC 2007 Standard General Conditions of the Construction shall apply, except in the case of building construction where current year AIA documents will apply. Approved city specifications and contract documents may be requested from the engineering department to ensure compliance with city requirements for street and utility construction, and modified by developer's Professional Engineer for the specific project.

Life Expectancy of Improvements

In order to warrant the construction for the life expectancy shown above, the city will provide inspection of all phases of construction, as set forth in the city's approved contract documents.

City Assistance to Developers

The city will perform construction surveys, staking, and other engineering services when requested by the contractor or developer. The city will also assist the contractor in interpretation of the contract documents, ordinances, codes, and other items necessary to meet the criteria and requirements established by the city.

The city and its representatives shall at all times have access to the work in order to complete the services described, and the developer or contractor shall give the city timely notice of readiness for inspections or other work to be rendered.

The developer shall be charged for these services at a rate of 16 percent if city-designed (10 percent) and financed (6 percent), or as agreed upon in Subdivider's Agreement for the improvement. The value of the services shall be on a percent basis, determined and agreed upon by the developer and the city before the project is started, as indicated in Method of Determining Assessments.

Upon satisfactory completion of sanitary sewer, storm drain, watermain, curb and gutter, roadway base, surfacing, and sidewalk by the developer, the city will accept said improvements by Resolution or agreement, and thereafter maintain said improvements subject to a one-year warranty to the city.

B. Work by Property Owners

In Conjunction with an Assessment Project

Property owners may choose to perform certain work themselves. This will be allowed only under the following conditions:

- Written request must be made within two weeks after the public improvement hearing on the project and before the contract has been awarded to the contractor.
- All work and materials must conform to established standards, specifications, and criteria of the city of Mankato and the State of Minnesota Plumbing Code.
- Work must be coordinated with contractor's operation. The only items of work that may be performed by property owner are:
 - Sidewalk removal and/or replacement
 - Utility services
 - Driveway paving
 - Sod on approved boulevard restoration
- Obtain current building or plumbing permit as required

Backflow Prevention and Clear Water Separation

This work will be allowed only under the following conditions:

- Written request by the property owner pursuant to an order by the plumbing inspector.
- Work and material must conform to established standards, specifications, and criteria of the city.
- Work under this provision must be deemed necessary to backflow correction and prevention, or clear water separation, by the plumbing inspector.
- A \$500 minimum cost is required for the assessment process. Project costs of \$500-\$2000 may be assessed for ten years; project costs over \$5000 may be assessed for up to fifteen years.

SECTION IV – GENERAL ASSESSMENT STANDARDS

A. Project Cost

The project cost of an improvement shall include the costs of all necessary construction work required to accomplish the improvement, plus engineering, legal, administrative, financing, and contingent costs.

B. Deferred Benefit Costs

The city council may defer any assessment against benefited property to:

- a specific year,
- until the platting of the property, or
- construction of improvements as established by the council by resolution.

If the project is to be bonded pursuant to MN Statutes Chapter 429, no more than 80 percent of the principal amount to be bonded may be deferred, and all assessments must be paid in full within 30 years of the date of assessment.

When assessments are deferred, interest shall be due annually at the rate established by the city council, unless the council by resolution defers such interest with the principal, at which time it shall be added to the principal. The council may also, by resolution, forgive interest during the period of deferment. All deferments and their terms and conditions must be established at the date of the final adoption of the assessment roll.

Assessments on Benefited Property

May be deferred pursuant to MSA 273.111 subd. 11 (Green Acres) as it applies to the current year.

Senior Citizens, Disabled, or Military Deferral

Property owners 65 years of age or older, an owner determined to be handicapped by resolution of the city council, or a member of the Minnesota National Guard or other military reserves who is ordered into active military service as defined in Section 190.05, subd. 5b or 5c, as stated in the person's military orders, for whom it would be a hardship to make the payments, may apply for deferral of special assessments against homestead property.

The application for deferral shall be made with the county auditor. Pursuant to resolutions adopted by the city council of the city of Mankato, the provisions of Minnesota Statutes 435.193 to 435.195 have been implemented to provide for such deferral of special assessments on homestead property owned by persons 65 years of age or older, disabled, or in active military service.

The city clerk shall transmit a certified duplicate of the assessment with each annual installment, including interest, set forth separately to the county auditor to be extended on the proper tax lists of the county, and such assessments shall be collected and paid over in the same manner as other municipal taxes.

Property Benefited by Assessment Project for Water, Sanitary Sewer, or Storm Drain

If located outside the corporate limits, owners shall be included in the notice of preliminary hearing. They should be included on the assessment roll as "Property to be Assessed on Annexation." Upon annexation, such property shall be assessed pursuant to MSA 429.051.

C. City Share

Where the project costs of an improvement are not entirely attributable to the need for service to the area served by the improvement, or where unusual conditions beyond the control of the property owners in the area served by the improvement would result in an inequitable distribution of special assessments, the city, through the use

of other funds, may pay such “city share” which, in the opinion of the city council, represents the excess cost not directly attributable to the area served.

D. Assessment for Improvements

Surface improvement assessments shall be levied against abutting properties within the benefited areas based on the property frontage.

Subsurface improvement assessments shall be levied equally against each benefited property owner, based on area or number of hookups. The entire cost of the improvement will be levied over the benefited area.

E. Sidewalks

The city council has declared that safe sidewalks are a necessary and essential component of the city and are a direct benefit to the adjacent property owners. The cost of sidewalk construction will be assessed on the same formula used for reconstructed streets.

Construction shall consist of grading, base, drainage, special retaining walls, pedestrian ramps, and surfacing with concrete.

Assessment costs for sidewalks shall be based on the construction cost average of the last three years, using the model block sidewalk quantities to construct a typical sidewalk. The cost is based on a 5-foot width. The city council shall review the annual cost of constructing a model block sidewalk and set the rate for the coming year. The city share shall include one-half of the required width, plus extra width or strength when deemed necessary by the city council, and any extraordinary cost of providing drainage or other city-determined features. One-half of the cost of this type of construction shall be levied against the abutting property.

The city shall pay the construction cost for extra width or strength if, and when, it is deemed that it is in the best interest of the city to provide those additional features.

If the property owners request or require additional width, strength, or type of surfacing, the cost of such construction shall be borne by the property owners. The costs shall be assessed against the abutting property in proportion to the standard frontage.

Sidewalks rated adequate on any project and not programmed for removal and assessment will not be assessed against the property owner if the removal and replacement was due to the replacement of condemned utility services or grade conditions beyond the owners’ responsibility.

F. Driveway Pavement

The city council has declared that driveway pavement is of benefit only to the affected property and, as such, all costs of driveway construction will be borne by the benefiting property.

G. Dust Control (by petition)

The city council has determined that dust control is a temporary measure to alleviate the problem of dust on unsurfaced streets or alleys prior to construction of permanent surfacing. It has further been determined that this operation should be discouraged and the maximum application times during one year shall be set at three.

Where the city approves a request for road surface treatment, the cost shall be billed against the abutting property in proportion to the footage, similar to a street or alley assessment procedure. After two applications and before a third will be approved, a sufficient petition for permanent street construction must be submitted to the city council, or the permanent street construction must have been ordered by the city council.

Where the city engineer recommends or approves a request for dust control treatment, the cost shall be assessed against the abutting property as a surface improvement. In no case shall dust control projects cover less than one block.

H. Private Developer Project

The entire cost of the project shall be assessed against the properties served, with the exception that in a residential area the city share shall be equal to the increased cost for constructing a street to arterial or collector standards, or of oversizing of utilities as required by the city.

Where developers have dedicated land for park, drainage basins, or other public facilities, such lands shall be treated as assessable, similar to other owned property.

I. Government-Owned Properties

City and other levels of government-owned properties will be regarded the same as privately owned property when computing assessments. The city's share for these lands will be included in the city's share of the improvement and all other government properties will be billed by Resolution as passed by the city council.

J. Frontage Roads

Because frontage roads along highways or other arterial streets are deemed to be of benefit only to properties served, the entire cost of any such improvement shall be 100 percent assessable to the benefited properties.

K. Alleys

An alley shall be assessed as a surface improvement, with the frontage on the alley treated as the primary frontage.

SECTION V – METHOD OF DETERMINING ASSESSMENTS

A. Sanitary Sewers

The city will design and construct sanitary sewers to the site upon petition by the developer. The developer will be assessed the cost of the trunk line. The developer shall then design, construct, and pay for sanitary sewer within the site. All sanitary sewers shall be constructed to city specifications. The city will furnish inspection for sanitary sewers within the site and be responsible to ensure conformance to the specifications and acceptance of the work. All work must be warranted for a period of one year by the contractor and backed by a performance bond.

Trunk Sewers

The capacity of the trunk sewer is calculated, the contributing area defined, and since the average flow contributions from various types of user-units is known, the hookup charge is arrived at by dividing the total trunk sewer costs by the number of units, building sites, or area that can be served.

The single-family residential site is taken as the basic unit. Larger tracts of land designated or used for educational, commercial, industrial, governmental, or institutional capacity shall be converted to residential lot units for establishing hookup charges.

B. Watermain

The city will design and construct watermain to the site upon petition by the developer. The developer will be assessed a hookup charge for the cost of the watermain. The developer shall then design, construct, and pay for watermain within the site.

If the city determines that additional size of watermain is required for future extension, the city will pay for the oversize cost.

Watermain shall be constructed to city specifications. The city will furnish inspection for watermain construction and be responsible for conformance to the specifications and acceptance of the work. All work must be warranted for a period of one year by the contractor and backed by a performance bond.

Watermain Feeders

The cost of watermain feeders will be assessed similar to sanitary trunk sewers. The total cost of watermain feeders, including valves, boxes, manholes, and fire hydrants shall be assessed. The required capacity of the watermain feeders is calculated and, since the average flow requirements for various types of user-units is known, the hookup charge is arrived at by dividing the total watermain feeder costs by the number of units or area that can be served.

Assessments to other properties for watermain feeders will be made only when extensive construction is required to serve a new area. The area to be served shall be determined by the city engineer.

The normal oversizing of watermain feeders, looping, etc. will be paid by the city.

Watermain Branch

The cost of watermain branches shall be assessed equally to each building site or lot served by the watermain.

All properties are served directly by this type of watermain and the entire cost of its construction is divided equally by the lots, sites, or area it serves.

When any properties or subdivision, or any part thereof, is annexed to the city and the city receives a valid petition from the property owners, or it is deemed necessary by the city council to service these areas with a watermain branch and services, the assessment shall be levied as follows:

All properties and subdivisions, or any part thereof, which are developed at the time of annexation, shall be assessed as like properties within the city, except where they are presently being served with private water systems approved by the city. 50 percent of the assessment for watermains will be levied upon completion of the project and 50 percent of the assessment shall be deferred for ten years or until the property requires water service.

C. Storm Drain System

The city will design and construct storm drains from the site upon petition by the developer. Streets will not be constructed until complete storm drainage is petitioned and installed. The developer will be assessed a portion of the cost of the drain per city policy. The developer shall then design, construct, and pay for storm drains within the site. All storm drains shall be constructed to city specifications.

The city will furnish inspection for storm drains constructed within the site, be responsible for conformance to the specifications, and accept the work. All work must be warranted for a period of one year by the contractor and backed by a performance bond.

Storm drain assessments will be calculated by using only that area contributing to the storm system construction. Portions of properties not in the district, as defined, will not be assessed as part of the contributing area. All storm drainage areas will be defined by the city engineer before the assessment is prepared.

Drainage improvements made to upgrade outlets for stormwater management or stormwater quality enhancement during the life expectancy of the facility shall not be assessed to the contributing area.

Improvements made to benefit specific changed conditions in the watershed contributing area shall be assessed to that benefiting area.

D. Streets

Grading

The developer shall pay for all necessary grading and construction of the street between property lines. The engineering department will determine the amount and type of base required, both for curb and gutter and for the roadway. The city will furnish inspection for all street construction, be responsible for conformance to the specifications, and accept the work.

Curb and Gutter

Curb and gutter are required in all subdivisions. The developer shall design, construct, and pay for curb and gutter, and construct according to city specifications.

Permanent Street Reconstruction

This type of construction shall consist of grading, base, drainage, curb and gutter, street hard surfacing of bituminous or concrete, sidewalk, lighting, sodding, signing, etc.

Two-thirds of the cost of construction for the minimum width residential street shall be levied against the abutting property. This minimum width street shall be no less than 30 feet wide, have 6 inches of subbase, 6 inches of base, 3 inches of bituminous surface, and curb and gutter with drainage lines.

The city shall pay the construction cost for intersections and for extra width or strength, if and when it is deemed that it is in the best interest of the city to provide these additional features. If the property owner requests or requires additional width or strength, or different type of surfacing, the cost of such construction shall be borne by the property owner.

The cost shall be assessed against the abutting property in proportion to the footage except in cases of corner lots and cul-de-sacs.

Each benefited property owner will be assessed one-third of the cost for construction of residential streets. Assessments will be determined by averaging the unit prices of all components of work and material necessary for making the improvement, plus 16 percent of the project cost for engineering, legal, administration, and bonding contingencies.

The city share will include the additional one-third of required width, intersections, and extra width or strength when required or deemed necessary by the city council to be in the best interest of the city to provide these additional features. If the property owner requires or requests additional strength or width and the city concurs, these additional features shall be construed to be a direct benefit to abutting properties and shall be assessed against these properties.

Current Costs for the Model Block

Construction costs for bituminous paved streets 32 feet wide are based on the construction cost average of the last three years using the model block quantities to construct that street, and includes the model drainage system.

1. These figures do not include tree removal, sidewalks, private storm drain connections, or driveways.

2. Regrading, subbase, base, curb and gutter, bituminous surface, and lateral storm drain construction are included.
3. It is understood that the city share for total street projects will exceed 40 percent because the city is paying for complete intersection construction in addition to 1/3 of the remaining portion.

Frontage Determinations

1. Rectangular interior lots: The frontage shall be the dimension of the side of the lot abutting the improvement.
2. Irregularly shaped interior lots: The frontage shall be the width of the lot measured 40 feet from the property line abutting the improvement.
3. Corner lots abutting improvement on two sides: The shortest frontage (dimension) abutting an improvement shall be totally assessed against the benefiting property. The longest frontage (dimension) of a property abutting an improvement shall be assessed on the basis of 1/3 of the dimension, up to 120 feet, plus all frontage in excess of 120 feet.
4. Corner lots abutting improvement on three sides: The shortest frontage (dimension) abutting an improvement shall be totally assessed against the benefiting property. The longest frontage (dimension) of a property abutting an improvement shall be assessed on the basis of 1/3 of the dimension, up to 120 feet, plus all frontage in excess of 120 feet. One-half of the footage will be assessed to the benefiting property in the event of improvements to the rear street.
5. Corner lot on a property not previously situated on a corner: Side yard assessments shall not apply and cost of development of new roadway to standards shall be allocated to owners benefiting from the access. This side yard exception will not apply on situations where the newly created corner lot will take access from the street under construction. Elimination of the right of access to the new right-of-way will be recorded on the deed.

Repair or Resurfacing (bituminous overlay or concrete pavement rehabilitation)

When deemed by the city council to be in the best interest of the city, and the most economical method of providing adequate streets in previously developed areas of multiple ownership, the existing roadway will be repaired or resurfaced by overlay rehabilitation. The method of assessment will be determined as follows:

- For purposes of arriving at the cost for repair and resurfacing projects, the annual bid prices for curb and gutter, bituminous material, concrete pavement, grinding, concrete pavement patching, joint repair, drainage and utility items, and sodding, will be used.
- The benefited property owners will be assessed 2/3 of the cost for repairing or replacing curb and gutter, resurfacing, catch basins, storm drainage, sanitary sewers, and other utility appurtenances, sidewalks, driveways, necessary sodding, seeding, and planting.
- City costs shall include base construction or replacement, subsurface drainage where required, and intersections. If the benefited property owner chooses, or is ordered to replace, existing service connections at their expense during this construction, all necessary backfilling and associated construction costs will be absorbed by the city.
- The repayment period of special assessments levied by minor street resurfacing (overlay) projects shall be over a five-year period at equal payments, with annual interest rate of eight percent.
- Replacement of deteriorated and/or displaced curb and gutter, as determined by a city representative, in conjunction with a minor street resurfacing project, shall be assessed to the abutting property at a standard rate. This rate shall be reviewed and determined as 50 percent of the annual bid price for curb and gutter construction.

The assessment rate for repair and resurfacing shall apply to bituminous pavement and concrete pavements at the same rate as established annually.

Street resurfacing projects will be assessed at the standard frontage rate as established for the current year unless:

- It is commercial property and the street is a Major Collector or Arterial Route.
- The abutting property land use is of a commercial nature, including parking lots.

- The abutting property contains a building with three or more housing rental units.

For the properties located on such streets, and meeting this land use criteria, the frontage rate charged will be at the commercial rate as established for that year.

E. Sidewalks

Sidewalks shall be assessed to all properties on permanent street reconstruction projects or repair or resurfacing (bituminous overlay or concrete rehabilitation) projects. Sidewalks shall be located and constructed as part of those projects indicated in the Sidewalk Ordinance.

Sidewalks shall be assessed at the standard sidewalk assessment rate, as established annually and by Resolution and reflected in Section VII - Current Rates. The sidewalk rate shall be the difference between the per-front-foot rate for major street reconstruction, sidewalks - both sides; and major street construction – sidewalk one side or no walk.

A property owner may choose to upgrade, repair, or install sidewalk in standard location as it abuts his property. The project will be inspected, issued a building permit, and approved by the city building official or the city engineer (or designee), who will then issue a payment voucher to reimburse the property owner at the above-described sidewalk differential rate, thereby reimbursing the owner for that allocated share of the expenditure.

F. Alleys

Alleys are considered to be of significant benefit to the adjacent property. Construction shall consist of grading, base, drainage, and hard surfacing such as bituminous or concrete. Assessment costs for alleys are based on the construction cost average of the last three years using the model block alley quantities to construct that alley, including model drainage. The cost is based on a residential alley width of 15 feet (12 feet paved, 3 feet shaped). Two-thirds of the cost of this type of construction shall be levied against the abutting property.

The city shall pay the construction cost for extra width or strength if and when it is deemed that it is in the best interest of the city to provide those additional features.

If the property owners request or require additional width, strength, or type of surfacing, the cost of such construction shall be borne by the property owners. The costs shall be assessed against the abutting property in proportion of frontage. The city council shall review the annual cost of constructing that model block alley and set the rate for the coming year. The city share shall include the 1/3 of the required width of the alley, extra width or strength when deemed necessary by the city council, and any extraordinary cost of providing drainage.

G. Improvements in Developed Areas Not Served by Adequate Facilities

When an assessment project is ordered by the city council and constructed in areas containing houses and/or businesses not previously serviced by city facilities, the following policy shall apply.

Sanitary Sewer and Water

The total cost of these utilities will be assessed against the benefited property. Any cost associated with oversizing, additional depth, or appurtenances placed to accommodate future expansion of the utility will be paid from Utility Funds.

Street, Curb and Gutter, Storm Drainage

The total cost for surfacing, curb and gutter, sidewalk, storm drainage, lighting, and other associated project costs shall be assessed in the same manner as Section V/C, D, E and F.

H. Improvements in Recently Annexed Areas

When any properties or subdivision, or any part thereof, is annexed to the city and the city receives a valid petition from the property owners, or it is deemed necessary by the city council to service these areas, the assessment shall be levied as follows:

Sanitary Sewer and On-Site Systems

All properties and subdivisions, or any parts thereof which are developed at the time of annexation, shall be assessed as like properties within the city, except that where they are presently being served with private sewer treatment systems approved by the city, in which case 50 percent of the assessment for lateral sewers will be levied upon completion of the project and 50 percent of the assessment shall be deferred for ten years or until the property requires sanitary sewer service.

Watermains and Private Systems

All properties and subdivisions, or any parts thereof which are developed at the time of annexation, shall be assessed as like properties within the city, except that where they are presently being served with private water systems or shared wells approved by the city, 50 percent of the assessment for watermains will be levied upon completion of the project and 50 percent of the assessment shall be deferred for ten years or until the property requires water service.

Street and Drainage Improvements

All lots, regardless of land use, abutting an existing traveled roadway will be assessed according to the current adopted assessment rate as established by the city council (for major street reconstruction) for other lots abutting traveled streets within the city. The total cost for surfacing, curb and gutter, sidewalks, storm drainage, lighting, and other associated project costs, shall be assessed in the same manner as Section V/ C, D, E and F.

Extended Payment Schedule

On any property parcel defined in Section V/G and H, the owner may submit a request to have the payment extended for sanitary sewer, watermain, storm drainage, or permanent street construction or reconstruction, sidewalk, and alley improvement, with a total assessed amount over \$5000. If the principal amount collectable equals \$5000, or the total assessed amount exceeds 10 percent of the improved value of the lot and buildings according to the assessor's market value for the property for the current year, whichever is greater, the payment schedule shall be extended to 15 years of equal annual payments. This request shall be in writing and filed with the city council prior to, or at the date of, the public hearing on that final assessment.

SECTION VI – CONSTRUCTION

A. By Day Labor

Day labor includes force account using total cost of city personnel, material, and equipment, and that obtained through seasonal supply bids, proper negotiations, quote, or specific contract. The labor and equipment costs necessary to perform the items of construction or reconstruction will be those charged by the Division of Streets to other divisions and individuals for similar work and equipment. All of these prices will be those currently used based on the current or preceding year costs.

B. By Contract

The city may contract all or part of an improvement and allocate the cost accordingly to the project.

SECTION VII – CURRENT RATES

Adopted by Resolution December 12, 2011

Major street reconstruction	
with sidewalk on both sides	\$87.00 per front foot of frontage
with sidewalk on one side or no walk	\$79.00 per front foot of frontage
sidewalk differential where only walk is installed or replaced	\$ 8.00 per front foot of frontage
Alley surfacing (residential)	\$20.00 per front foot of frontage
Alley surfacing (commercial/concrete)	\$40.00 per front foot of frontage
Local street repair and resurfacing (overlay bituminous or concrete rehabilitation)	\$18.00 per front foot of frontage
Commercial multi-lane resurfacing	\$30.00 per front foot of frontage
Replace concrete curb and gutter as needed on street repair and reconstruction projects (overlay and concrete rehabilitation)	\$12.00 per linear foot replaced

The interest rate charged against installment payments made with property taxes on reconstruction projects shall be 4 percent per annum. On street resurfacing projects the rate is established at 4 percent per annum.